

DEPARTMENT OF **JUSTICE**

Notice of Lodging of Settlement Agreement

Notice is hereby given that a proposed Settlement Agreement in American International Specialty Lines Insurance Company, Inc. v. NWI-I, Inc., et al., Civil Action No. 05-6386, was lodged on January 9, 2008 with the United States District Court for the Northern District of Illinois.

American International Specialty Lines Insurance Company, Inc. (AISLIC) filed this declaratory judgment action against NWI-I, Inc., LePetomane II, Inc. (as Trustee of the Fruit of the Loom Successor Liquidation Trust), and LePetomane III, Inc. (as Trustee of the Fruit of the Loom Custodial Trust), which are successor entities to bankrupt Fruit of the Loom, Inc. (FTL), seeking to avoid coverage under a Pollution Legal Liability insurance policy issued to FTL in 1998 (the Policy). Under a 2002 settlement agreement in the FTL bankruptcy, the Fruit of the Loom Successor Liquidation and Custodial Trusts were created and those entities agreed to pursue FTL environmental insurance claims under the Policy. Under the 2002 bankruptcy settlement, the Custodial Trust owns and, using funds recovered by the Successor Liquidation Trust, implements site investigation, clean-up, and restoration activities at seven former FTL properties which are the subject of the action: St. Louis Plant Site (St. Louis, Michigan), Breckenridge Site (St. Louis/Breckenridge, Michigan), Residue Hill Site (Chattanooga, Tennessee), Hardeman County Landfill Site (Toone, Tennessee), Hollywood Dump Site (Memphis, Tennessee), Marshall Plant Site (Marshall, Illinois), and Ventron/Velsicol/Berry's Creek Site (New Jersey). The United States and the States of Illinois, Michigan, New Jersey, and Tennessee are beneficiaries of the Trusts. The United States intervened in AISLIC's action to protect its interests.

Pursuant to the Settlement Agreement, in return for a buyback of the Policy, AISLIC will make an initial \$30 million payment and ten annual payments of \$1.250 million, with interest running from May 15, 2007, to the Successor Liquidation Trust. The nature of the response and/or restoration activities to be performed at each site is not an issue addressed in this settlement and will, instead, be determined in the usual course in a manner not inconsistent with the relevant statutes. In addition, the Successor Liquidation Trust will separately pay the three non-governmental intervenors, who allege that they are insured under the Policy, \$287,000 to resolve their claims against AISLIC for coverage under the Policy.

The Department of **Justice** will receive, for a period of thirty (30) days from the date of this publication, comments relating to the proposed consent decree. Comments should be addressed to the Assistant Attorney General, Environment and Natural Resources Division, and either e-mailed to pubcomment-ees.enrd@usdoj.gov or mailed to P.O. Box 7611, U.S. Department of **Justice**, Washington, DC 20044-7611, and should refer to American International Specialty Lines Insurance Company, Inc. v. NWI-I, Inc., et al., DOJ Ref. 90-11-2-0709/1. Commenters may request an opportunity for a public meeting in the affected area,

in accordance with section 7003(d) of RCRA, 42 U.S.C. 6973(d).

The proposed consent decree may be examined at the office of the United States Attorney, United States Attorney's Office, Northern District of Illinois, Eastern Division, 219 S. Dearborn St., 5th Floor, Chicago, IL 60604, and at the Region V Office of the Environmental Protection Agency, 77 W. Jackson Blvd., Chicago, IL 60604. During the public comment period, the proposed consent decree may also be examined on the Department of **Justice** Web site, at <http://www.usdoj.gov/enrd/Consent--Decrees.html>. A copy of the proposed consent decree may also be obtained by mail from the Consent Decree Library, P.O. Box 7611, U.S. Department of **Justice**, Washington, DC 20044-7611 or by faxing or e-mailing a request to Tonia Fleetwood (tonia.fleetwood@usdoj.gov), fax number (202) 514-0097, phone confirmation number (202) 514-1547. In requesting a copy from the Consent Decree Library, please enclose a check in the amount of \$33.00 (or \$6.00, for a copy that omits the exhibits and signature pages) (25 cents per page reproduction cost) payable to the U.S. Treasury or, if by E-mail or fax, forward a check in that amount to the Consent Decree Library at the stated address.